<u>REMARKS</u>

Claims 1, 3-6, 8-10, 14, 16-19, 21-23, and 40-45 are now pending in this application for which applicants seek reconsideration.

<u>Amendment</u>

Independent claims 1, 6, 14, and 19 have been amended to more clearly define that insert sheets corresponding to n pages are inserted in a single bundle of one copy set that includes the sheets having the images formed thereon. No new matter has been introduced.

<u>Art Rejection</u>

Claims 1-10 and 14-23 were rejected under 35 U.S.C. § 103(a) as unpatentable over Inoue (USP 5,159,546) in view of York (USP 4,602,776) and Coons (USP 5,207,412). Claims 42-45 were rejected under § 103(a) as unpatentable over Inoue in view of York, Coons, and Austin (USP 5,488,223). Applicants traverse these rejections as the combination would not have taught 1) inserting a plurality of insert sheets corresponding to n pages into a single copy set forming a single bundle, and 2) discharging the insert sheets onto an escape tray until the insert sheet for a top page of a copy set bundle is detected, as set forth in independent claims 1, 6, 14, and 19.

Independent claims 1, 6, 14, and 19 now clarify that insert sheets corresponding to n pages are inserted between the copy sheets having images formed thereon in a predetermined order of pages. As presently claimed, the insert sheets corresponding to the n pages are inserted into a single copy set forming a single bundle. Applicants submit that York would not have taught this aspect of the claims.

York discloses discharging the insert sheets belonging to the same group 62a, 62b, 62c, 62d … 62n onto its overflow tray 72 until that group is exhausted from its insert tray 60. York uses the coded dividing sheet 64 to determine when the same group of insert sheets is exhausted. Specifically, after a desired number of copy sheets with the insert sheet group, e.g., 62a, has been completed, York terminates feeding of the same group, e.g., 62a, of insert sheets to the copy sets by feeding all the remaining group, e.g., 62a, of insert sheets to the overflow tray 72. York's sensor SE-2 associated with the insert sheet tray 60 reads the codes on the coded dividing sheet sheets 64 (positioned between different groups of insert sheets) rather than the insert sheets themselves. The examiner realizing this shortcoming relied upon Coons (see column 17, lines 3-16) for the proposition that stacking different insert sheets with machine-

readable codes on a same stack would have been obvious. Applicants submit that even if the combination were deemed to provide the feature urged by the examiner for argument's sake, the combination still would not have alleviated York's shortcomings.

York discloses a sorting apparatus 12 that has a base frame supporting upper and lower sorting assembly 40, 41. The lower sorting assembly 41 includes a unitary framework supporting a series of bins 42 that receive copy sheets in a downward direction. Similarly, the upper sorting assembly 40 has a unitary framework that supports a series of bins 43 for receiving copy sheets. See column 5, lines 22-30. Copy sets are compiled in the sorter trays 42, 43 during a reproduction job. See column 6, lines 23-24. When the first code sheet in the stack is exposed and sensed by a sensor SE-1, a processor 10 suspends further document handling and copying by way of inserter control console C, except to finish copying and to effect sorting of the last document sheet that was multi-exposed just before the sensing of the first code sheet. Control is then transferred to the logic circuit in the console C for an inserter apparatus 45 to energize the motor M-1 and activate a feeder 65. This effects seriatim feeding of insert sheets of the same group, e.g., 62a, into the bins one insert sheet for each bin. See column 8, lines 48-62 and the paragraph spanning columns 8-9.

York explicitly teaches feeding only one insert sheet for each bin. Specifically, York discloses inserting the insert sheets of the same group into different bins holding different copy sets. Accordingly, York fails to disclose or teach inserting a plurality of insert sheets corresponding to the n pages into each bin.

When York finishes inserting insert sheets of the same group into the bins, the remaining insert sheets of the same group, e.g., 62a, are fed to the overflow tray 72 until the coded divider sheet 64 is detected. Thereafter, the copy sheet production/sorting is executed for the next copy sets until the sensor SE-1 detects the next coded sheet, whereupon the next group, e.g., 62b, of insert sheets are inserted to the bins, again one insert sheet for each bin. See column 9, the first full paragraph. In this respect, although York discharges the insert sheets belonging to the same group 62a, 62b, 62c, 62d … 62n onto overflow tray 72 until the same group is exhausted from its insert tray 60, the first page of the next group of insert sheet is not for a top page of a single copy set forming a single bundle, but rather same as the remaining insert sheets of the same group. Accordingly, York also would not have disclosed or taught discharging the insert sheets onto its escape tray until the insert sheet for a top page of a single bundle of is detected, as set forth in independent claims 1, 6, 14, and 19.

As none of the applied references would have disclosed or taught the above aspects of the claimed invention, applicants submit that the pending claims patentably distinguish over the applied references.

<div align="center">Conclusion</div>

Applicants submit that the pending claims are in condition for allowance. Should the examiner have any issues concerning this reply or any other outstanding issues remaining in this application, applicants urge the examiner to contact the undersigned to expedite prosecution.

Respectfully submitted,

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DATE

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